



FY 2004 DoD Component Year-End Financial Reporting Conference

Funds Balance With Treasury

Jim Davila
DFAS Arlington
July 28 - 29, 2004

Your Financial Partner @ Work

Agenda

- Where Were We?
- Where Are We?
- Where Are We Going?
- When Should Things Be Where We Want Them To Be?
- What Can Our Customers Help Us With?

Where Were We?

- Department's focus had been on reducing Intransits, Problem Disbursements, and Statement of Differences (SOD)

May 1997 June 2004

- Aged Intransits \$5.5B \$.6B

June 1993 June 2004

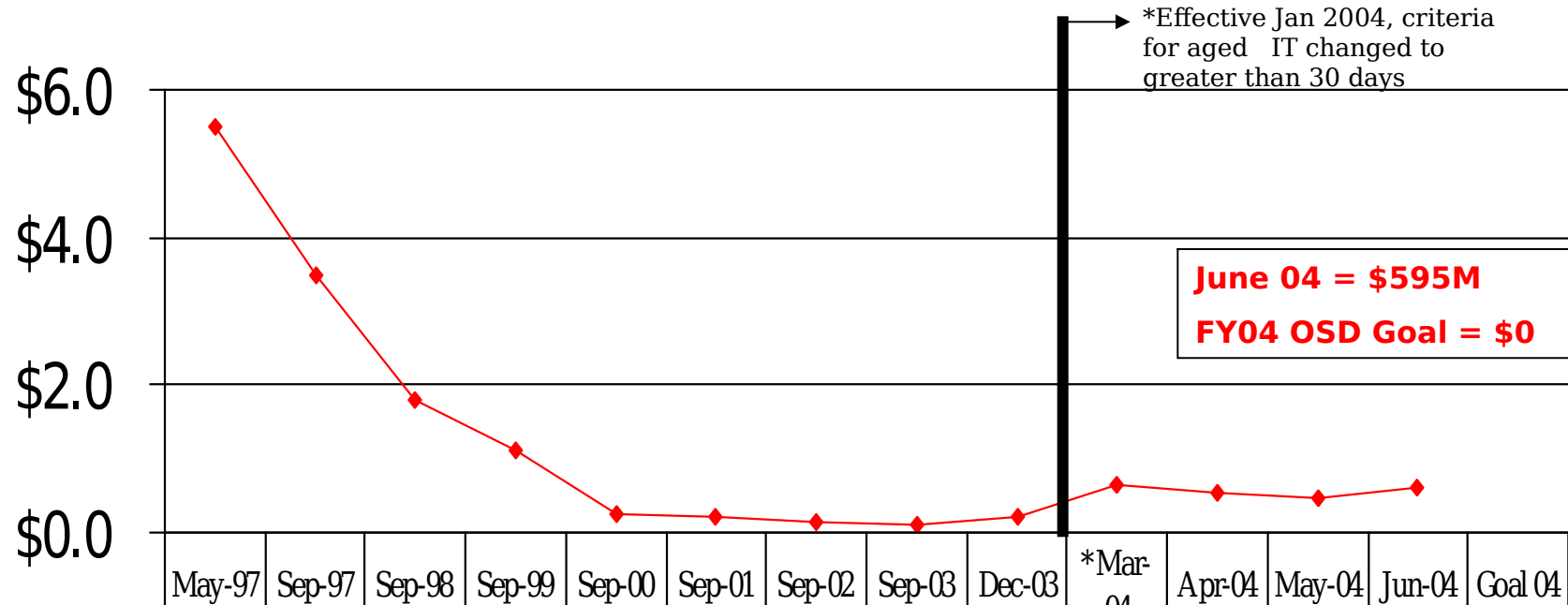
- UMDs \$25.1B \$2.1B
- NULOs \$9.2B \$.2B

Dec 2000 May 2004

- Aged SOD &
Check Issues \$417.9M \$84.4M

- Despite considerable progress, FBWT remains one of eleven material weaknesses

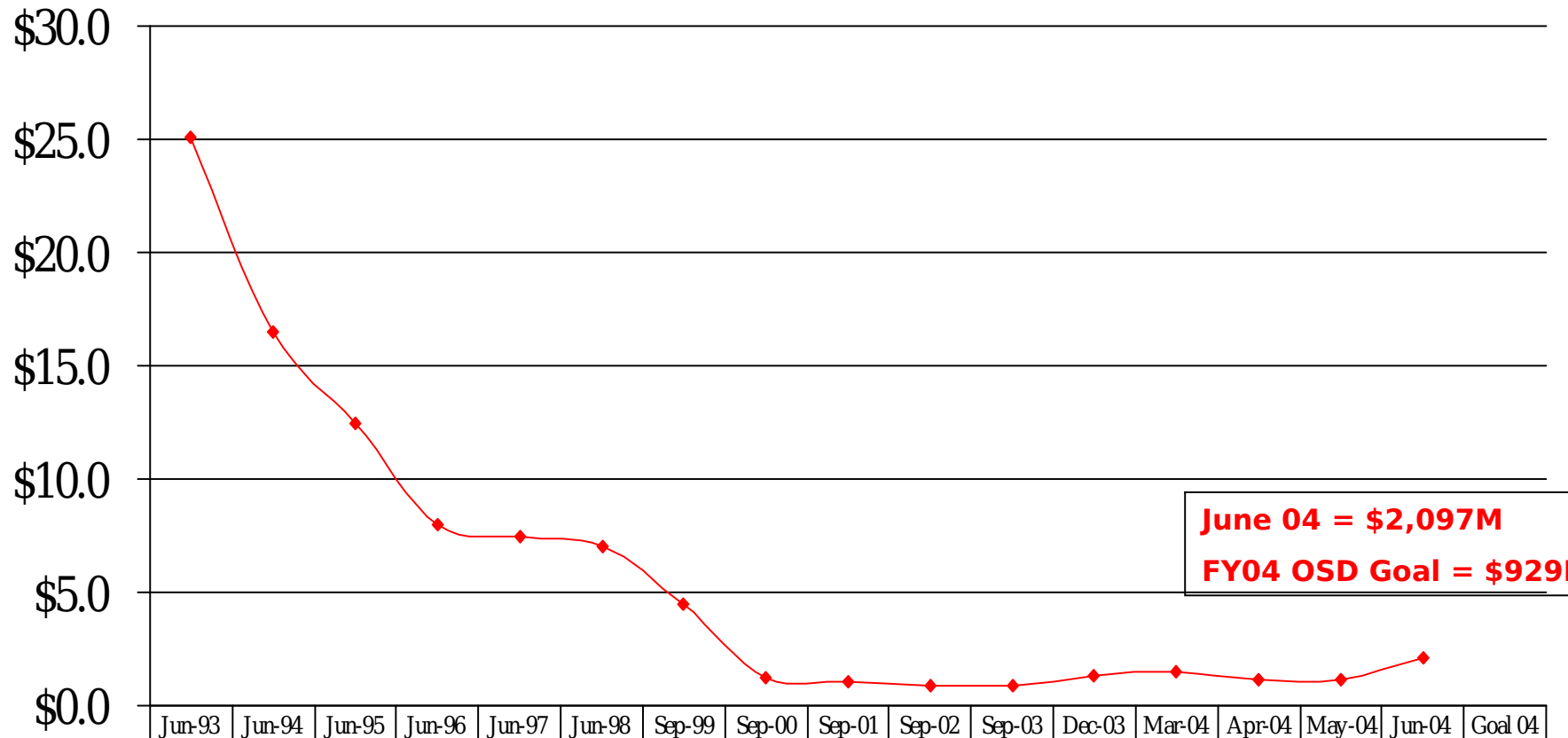
Aged Intransits (Net)



	May-97	Sep-97	Sep-98	Sep-99	Sep-00	Sep-01	Sep-02	Sep-03	Dec-03	*Mar-04	Apr-04	May-04	Jun-04	Goal 04
◆ Intransits	5.5	3.5	1.8	1.1	0.3	0.2	0.2	0.1	0.2	0.7	0.5	0.5	0.6	0
% Period Change		-36%	-49%	-39%	-73%	-33%	0%	-50%	100%	250%	-29%	0%	20%	
Cum Change		-36%	-67%	-80%	-95%	-96%	-96%	-98%	-96%	-87%	-91%	-91%	-89%	

Unmatched Disbursements (ABS)

BILLIONS



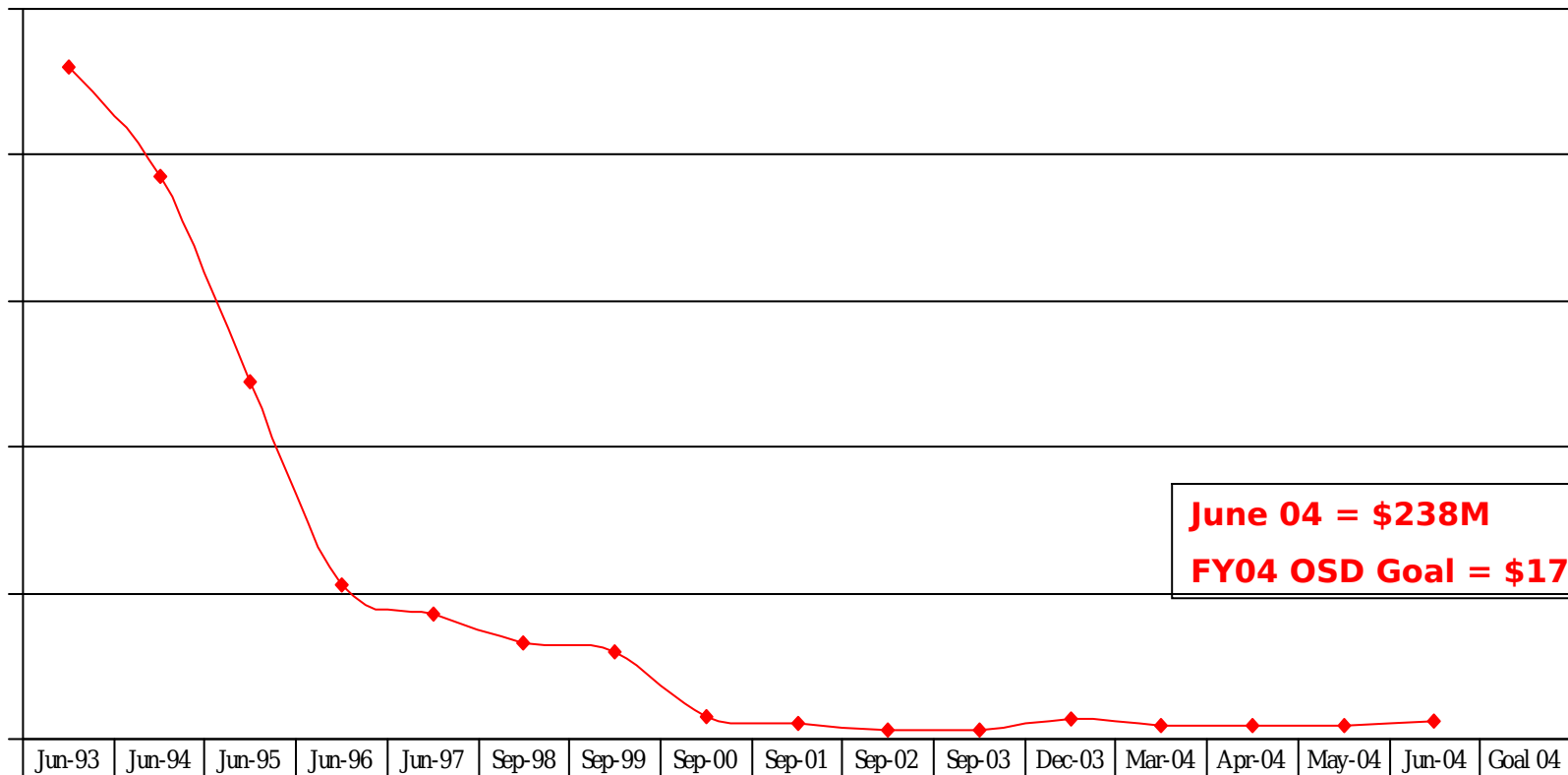
June 04 = \$2,097M
FY04 OSD Goal = \$929M

	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Sep-99	Sep-00	Sep-01	Sep-02	Sep-03	Dec-03	Mar-04	Apr-04	May-04	Jun-04	Goal 04
◆ Total	25.1	16.5	12.5	8.0	7.5	7.0	4.5	1.2	1.0	0.9	0.9	1.3	1.5	1.1	1.1	2.1	0.9
% Period Change		-34%	-24%	-36%	-6%	-7%	-36%	-73%	-17%	-10%	0%	44%	15%	-27%	0%	90%	
Cum. Change		-34%	-50%	-68%	-70%	-72%	-82%	-95%	-96%	-96%	-96%	-95%	-94%	-96%	-96%	-92%	

Negative Unliquidated Obligations (ABS)

BILLIONS

\$10.0
\$8.0
\$6.0
\$4.0
\$2.0
\$0.0



June 04 = \$238M

FY04 OSD Goal = \$171M

	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Sep-98	Sep-99	Sep-00	Sep-01	Sep-02	Sep-03	Dec-03	Mar-04	Apr-04	May-04	Jun-04	Goal 04
◆ Total	9.2	7.7	4.9	2.1	1.7	1.3	1.2	0.3	0.2	0.1	0.1	0.3	0.2	0.2	0.2	0.2	0.3
% Period Change		-16%	-36%	-57%	-19%	-24%	-8%	-75%	-33%	-50%	0%	200%	-33%	-16%	4%	35%	2
Cum. Change		-16%	-47%	-77%	-82%	-86%	-87%	-97%	-98%	-99%	-99%	-97%	-98%	-98%	-98%	-97%	

Where Are We?

- DFAS is using a number of ways to judge if we are ready for a FBWT audit
- FBWT Gauges
 - Assessment by Military Service Auditors and DFAS Internal Review
 - Reviewing FBWT audit recommendations and those that affect the fair presentation of the financial statement line for closure
 - Tracking Unsupported Undistributed
 - FBWT Performance - new metric implemented in Oct 2003
 - Validating Undistributed Reconciliation Report "Report 8"

1st FBWT Gauge - Assessment

- On June 17, 2003, DFAS Director issued memorandum to DoD IG and Auditor Generals requesting FBWT Assessment
- DFAS met with Service Auditors, DoD IG and GAO to set up approach and design audit plan
 - DoD IG and GAO serving in advisory capacity throughout assessment
 - GAO and DoD IG “ok’d” audit plan which consisted of GAO FAM FBWT steps supplemented with the DoD Reference audit guide
- Military Service Auditor and DFAS Internal Review FBWT Assessment / Validation began on Oct 17 for Service’s GF, WCF and five Defense Agencies
 - The Service’s GFs and WCFs account for 82% or \$314B of Agency-wide’s \$382B FBWT as of 3rd QTR FY 2004
 - Defense Agencies selected were: DARPA, DHP, DISA, MDA, & DLA

1st FBWT Gauge - Assessment

- Assessment being used as one of five gauges for how ready / or not Service's GF and WCFs may be for an assertion
 - Monthly "FBWT Scope of Coverage" template (240 audit steps) created as tool to ensure auditor consistency and measure confidence level
 - In using the template, DoD Components should analyze how much Service auditors covered and at what depth it was covered, i.e., "Fully Executed", "Thorough", "Partial", "Weak", or "None".

1st FBWT Gauge - Assessment Status

DoD Summary As of March-31-2004

	#	DoD Summary					
		Monthly Progress As Mar-04			Planned Coverage Beyond Mar-04		
		Coverage Degree			Coverage Degree		
		Fully Executed & Thorough	Partial & Weak	Will not Cover / N/A	Fully Executed & Thorough	Partial & Weak	Will not Cover
DFAS Reporting Centers							
I. CONSOLIDATION OF DSSN FINANCIAL DATA FOR REPORTING TO TREASURY	8	53%	47%		66%	34%	
II. BALANCING/EDITING OF DATA PRIOR TO SUBMISSION TO TREASURY	7	54%	36%	11%	64%	18%	18%
III. REPORTING TO TREASURY	5	20%	70%	10%	60%	35%	5%
IV. RECONCILING	36	22%	38%	40%	53%	22%	25%
V. MONITORING OF TREASURY DIFFERENCES AND SUSPENSE ACTIVITY	21	36%	32%	32%	49%	30%	21%
VI. INTERFUND	2	75%	25%		75%	25%	
VII. UNDISTRIBUTED	20		45%	55%	25%	40%	35%
VIII. INTRANSITS	14		50%	50%	25%	50%	25%
IX. UMDs and NULOs	9		50%	50%	25%	50%	25%
X. ADJUSTMENTS.	7	14%	61%	25%	43%	46%	11%
XI. PERFORMANCE METRICS	11	23%	52%	25%	73%	2%	25%
DSSNs							
I. DAILY AND MONTHLY REPORTING	11	43%	50%	7%	66%	25%	9%
II. DIFFERENCE RECONCILIATION	81	35%	32%	33%	55%	14%	31%
III. Suspense Transactions	8	47%	53%		75%	25%	
	240	28%	40%	32%	51%	25%	24%

1st FBWT Gauge - Assessment Status

Naval Audit Service As of March-31-2004

	#	NAVY AUDIT SERVICE					
		Monthly Progress As Mar-04			Planned Coverage Beyond Mar-04		
		Coverage Degree			Coverage Degree		
		Fully Executed & Thorough	Partial & Weak	Will not Cover / N/A	Fully Executed & Thorough	Partial & Weak	Will not Cover
DFAS Reporting Centers							
I. CONSOLIDATION OF DSSN FINANCIAL DATA FOR REPORTING TO TREASURY	8		100%			100%	
II. BALANCING/EDITING OF DATA PRIOR TO SUBMISSION TO TREASURY	7		57%	43%		57%	43%
III. REPORTING TO TREASURY	5		100%			100%	
IV. RECONCILING	36	11%	11%	78%	11%	11%	78%
V. MONITORING OF TREASURY DIFFERENCES AND SUSPENSE ACTIVITY	21	86%		14%	86%		14%
VI. INTERFUND	2	100%			100%		
VII. UNDISTRIBUTED	20			100%			100%
VIII. INTRANSITS	14			100%			100%
IX. UMDs and NULOs	9			100%			100%
X. ADJUSTMENTS.	7			100%	86%		14%
XI. PERFORMANCE METRICS	11	18%		82%	18%		82%
DSSNs							
I. DAILY AND MONTHLY REPORTING	11	73%	27%		73%	27%	
II. DIFFERENCE RECONCILIATION	81	41%		59%	41%		59%
III. Suspense Transactions	8	100%			100%		
	240	31%	10%	59%	34%	10%	56%

1st FBWT Gauge - Assessment Status

Army Audit Agency As of March-31-2004

	#	ARMY AUDIT AGENCY						
		Monthly Progress As Mar-04			Planned Coverage Beyond Mar-04			
		Coverage Degree			Coverage Degree			
		Fully Executed & Thorough	Partial & Weak	Will not Cover / N/A	Fully Executed & Thorough	Partial & Weak	Will not Cover	
DFAS Reporting Centers								
I. CONSOLIDATION OF DSSN FINANCIAL DATA FOR REPORTING TO TREASURY	8	50%	50%		100%			
II. BALANCING/EDITING OF DATA PRIOR TO SUBMISSION TO TREASURY	7	43%	57%		86%	14%		
III. REPORTING TO TREASURY	5	20%	80%		100%			
IV. RECONCILING	36		31%	69%	56%	44%		
V. MONITORING OF TREASURY DIFFERENCES AND SUSPENSE ACTIVITY	21			100%		67%	33%	
VI. INTERFUND	2	100%			100%			
VII. UNDISTRIBUTED	20			100%		80%	20%	
VIII. INTRANSITS	14			100%		100%		
IX. UMDs and NULOs	9			100%		100%		
X. ADJUSTMENTS.	7		100%			86%	14%	
XI. PERFORMANCE METRICS	11	73%	27%		100%			
DSSNs								
I. DAILY AND MONTHLY REPORTING	11	55%	45%		73%	18%	9%	
II. DIFFERENCE RECONCILIATION	81	100%			100%			
III. Suspense Transactions	8	88%	12%		100%			
	240	47%	16%	37%	62%	33%	5%	

1st FBWT Gauge - Assessment Status

DFAS Internal Review As of March-31-2004

DFAS Reporting Centers	#	DFAS INTERNAL REVIEW					
		Monthly Progress As Mar-04			Planned Coverage Beyond Mar-04		
		Coverage Degree			Coverage Degree		
		Fully Executed & Thorough	Partial & Weak	Will not Cover / N/A	Fully Executed & Thorough	Partial & Weak	Will not Cover
I. CONSOLIDATION OF DSSN FINANCIAL DATA FOR REPORTING TO TREASURY	8	100%			100%		
II. BALANCING/EDITING OF DATA PRIOR TO SUBMISSION TO TREASURY	7	71%	29%		71%		29%
III. REPORTING TO TREASURY	5		100%		80%		20%
IV. RECONCILING	36	19%	81%		89%		11%
V. MONITORING OF TREASURY DIFFERENCES AND SUSPENSE ACTIVITY	21	24%	76%		76%		24%
VI. INTERFUND	2	100%			100%		
VII. UNDISTRIBUTED	20		100%		100%		
VIII. INTRANSITS	14		100%		100%		
IX. UMDs and NULOs	9		100%		100%		
X. ADJUSTMENTS.	7	57%	43%		86%		14%
XI. PERFORMANCE METRICS	11		100%		100%		
DSSNs							
I. DAILY AND MONTHLY REPORTING	11	18%	82%		91%	9%	
II. DIFFERENCE RECONCILIATION	81		74%	26%	79%		21%
III. Suspense Transactions	8		100%		100%		
	240	14%	78%	8%	87%	0%	13%

1st FBWT Gauge - Assessment Status

Air Force As of March-31-2004

	#	AIR FORCE					
		Monthly Progress As Mar-04			Planned Coverage Beyond Mar-04		
		Coverage Degree			Coverage Degree		
		Fully Executed & Thorough	Partial & Weak	Will not Cover / N/A	Fully Executed & Thorough	Partial & Weak	Will not Cover
DFAS Reporting Centers							
I. CONSOLIDATION OF DSSN FINANCIAL DATA FOR REPORTING TO TREASURY	8	62%	38%		62%	38%	
II. BALANCING/EDITING OF DATA PRIOR TO SUBMISSION TO TREASURY	7	100%			100%		
III. REPORTING TO TREASURY	5	60%		40%	60%	40%	
IV. RECONCILING	36	58%	31%	11%	58%	31%	11%
V. MONITORING OF TREASURY DIFFERENCES AND SUSPENSE ACTIVITY	21	34%	52%	14%	34%	52%	14%
VI. INTERFUND	2		100%			100%	
VII. UNDISTRIBUTED	20		80%	20%		80%	20%
VIII. INTRANSITS	14		100%			100%	
IX. UMDs and NULOs	9		100%			100%	
X. ADJUSTMENTS.	7		100%			100%	
XI. PERFORMANCE METRICS	11		82%	18%	73%	9%	18%
DSSNs							
I. DAILY AND MONTHLY REPORTING	11	27%	46%	27%	27%	46%	27%
II. DIFFERENCE RECONCILIATION	81		54%	46%		54%	46%
III. Suspense Transactions	8		100%			100%	
	240	19%	58%	23%	23%	55%	22%

1st FBWT Gauge - Assessment Timeline

Activity	Target Date	Status
DFAS Director issues memo requesting FBWT Assessment	June 17, 2003	Completed
Request made for Service Auditor and DFAS Internal Review FBWT Scope Areas	June 20, 2003	Completed
DFAS / Service Auditor Kickoff Meeting	July 24, 2003	Completed
With DoD IG and GAO Input, Service Auditors and DFAS IR finalize Single Assessment Plan	September 4, 2003	Completed
Presentation of Finalized Assessment Plan to DFAS, DoD IG and GAO	September 11, 2003	Completed
Service Auditors and DFAS Internal Review begin Site Visits	Week of September 15, 2003	Completed
Monthly Status Meeting	15 th of every month from Nov 2003 to May 2004	Ongoing
Presentation of Draft FBWT Assessment Report at DFAS Arlington	August 31, 2004	
Management Comments on Report	September 15, 2004	
DoD FBWT Assessment Report Finalized	September 30, 2004	

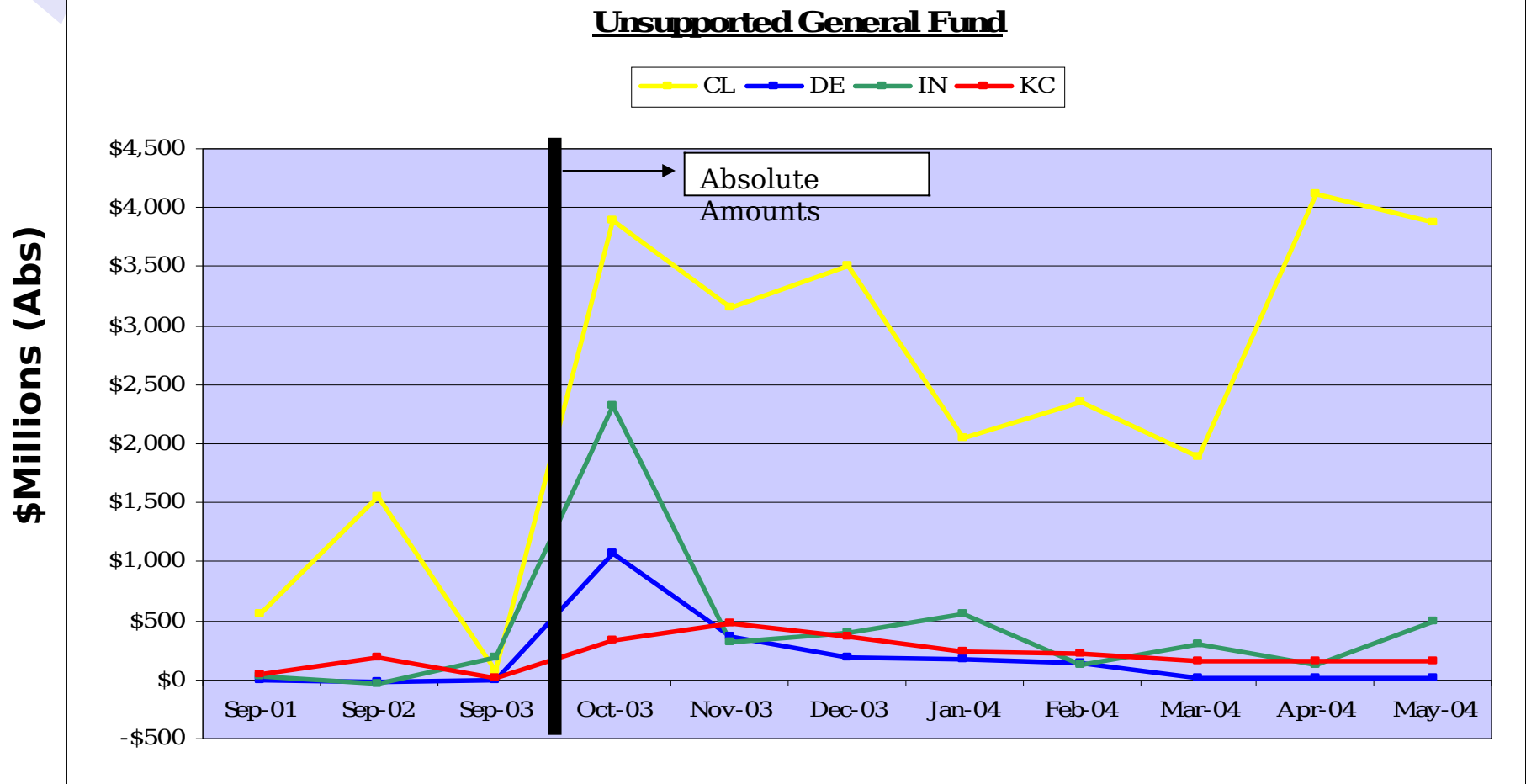
2nd FBWT Gauge - Closing Audit

Recommendations

- **OIG DoD Oct 15, 2003 Memo for Management Assertions** stated that,
 - All FBWT related audit recommendations by the **OIG DoD**, **Service** audit Agencies or **IPAs**, that affect the fair presentation of the financial statement line, be closed.
 - ▮ **Cursory review** from **Defense Audit Management Information System (DAMIS)** as of **July 07, 2004** and information from **Service Auditors** show the following open FBWT items:

		No of		Recommendation Responsibility	
		<u>Audit Agencies</u>		<u>Audit Reports</u>	
		<u>OUSD</u>		<u>DFAS</u>	
				<u>Service</u>	
	AAA		6	5	3
	AFAA	0	0	0	
	NAS	0	0	0	
DoD IG		19	37	3	7
GAO	0	0	0		

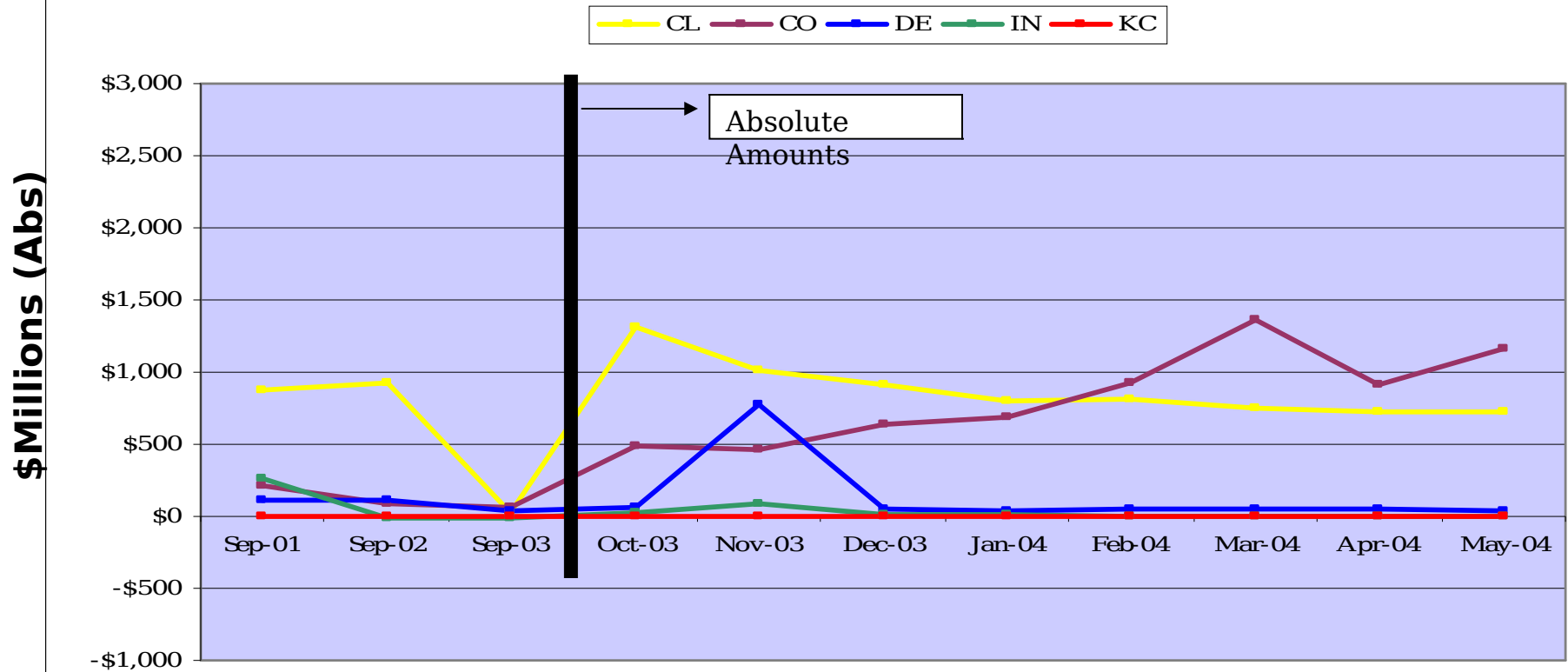
3rd FBWT Gauge - Unsupported Undistributed Disbursements and Collections



GF	Sep-01	Sep-02	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04
CL	552.1	1,553.9	69.0	3,895.6	3,149.1	3506.5	2042.5	2350.8	1887.6	4117.8	3877.5
DE	0.3	(23.5)	(0.1)	1,064.8	365.4	196.8	180.1	145.0	12.3	9.1	7.9
IN	23.4	(40.4)	184.2	2,321.5	313.7	402.3	555.3	123.5	302.4	121.3	493.4
KC	48.2	192.0	16.2	329.5	478.9	362.2	236.3	220.1	155.6	151.5	152.8

3rd FBWT Gauge - Unsupported Undistributed Disbursements and Collections

Unsupported Working Capital Fund



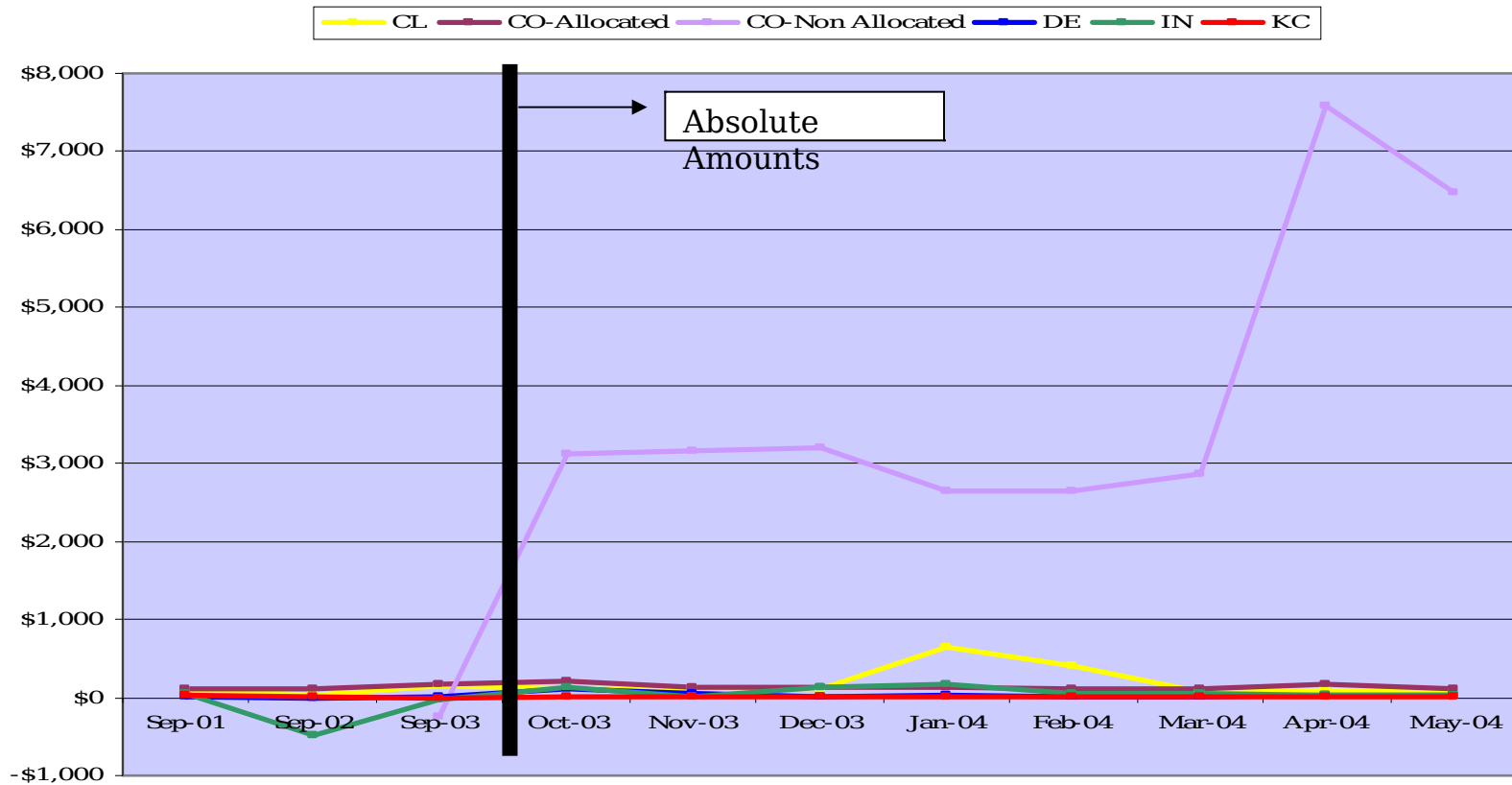
WCF

	Sep-01	Sep-02	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04
CL	871.7	927.1	26.5	1,313.4	1,007.5	916.0	805.1	814.4	749.9	720.7	726.1
CO	217.5	84.3	58.2	486.9	467.9	633.0	682.3	928.2	1,358.6	907.8	1,159.5
DE	114.8	107.3	32.2	60.2	774.2	44.4	42.7	45.8	44.3	45.0	42.7
IN	260.8	(8.3)	(13.7)	19.8	81.8	16.5	13.6	0.2	1.4	1.4	1.2
KC	1.1	3.7	0.7	1.2	0.0	1.3	0.0	0.0	0.0	0.3	0.4

3rd FBWT Gauge - Unsupported Undistributed Disbursements and Collections

\$Millions (Abs)

Unsupported TI97



TI-97

	Sep-01	Sep-02	Sep-03	Oct-03	Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04
CL	109.6	25.2	149.0	109.4	134.4	107.7	649.3	412.0	61.5	91.1	77.4
CO-Allocated	110.8	104.0	160.8	203.0	129.1	125.5	126.1	117.5	119.8	161.8	104.6
CO-Non Allocated			(237.1)	3,116.7	3,159.0	3,199.1	2,638.1	2,641.3	2,868.3	7,591.7	6,477.3
DE	15.4	(0.1)	2.7	102.6	58.4	19.7	21.1	16.3	16.4	21.9	22.1
IN	55.6	(483.5)	(37.0)	123.7	16.5	123.5	167.3	48.3	48.3	35.3	24.9
KC	22.8	5.1	(9.4)	16.8	9.6	8.6	5.9	4.6	3.2	3.4	3.3

4th FBWT Gauge - FBWT Deficiency Rate

- BSC # 543 - M.O.A.M.

- Purpose: To tie together the buckets that detract from a good FBWT and use as an indirect means for assessing how auditable FBWT is
- Deficiencies Being Tracked Include:
 - Payment Recording Errors - total UMDs and NULOs, aged ITs, aged suspense accounts
 - Statement of Differences - aged IPAC and aged Deposit Intransit
 - Aged Check Issue Discrepancies
 - Unsupported Disbursements and Collections - Report 8
 - Vulnerability is that we (each Network) judge our own supportability of undistributed
- Metric analyzes FBWT performance of Military Service (including Marine Corps) General Funds, WCFs and Defense Organizations

4th FBWT Gauge - FBWT Deficiency Rate

DoD Wide

Goal

Green 3% or less

Yellow Greater than 3% and less than or equal to 5%

Red greater than 5%

REPORT MONTH	NULOS	UMDS	AGED INT	AGED SUSP 3000 ACCTS	SODS (CK ISS, DIT & IPAC)	UNSUPP UNDISTR	TOTAL DEFICIENCIES	FBWT TOTAL	%TO FBWT
	(ABS)	(ABS)	(ABS)	(ABS)	(ABS)	(ABS)		Sep-03	TOTAL
Oct-03	189	1,063	1,839	1,387	15	13,165	17,658	249,122	7%
Nov-03	151	1,204	2,041	1,962	366	10,146	15,869	249,122	6%
Dec-03	218	993	1,028	1,502	281	9,663	13,684	249,122	5%
Jan-04	223	1,082	2,352	1,731	253	8,166	13,807	249,122	6%
Feb-04	195	1,340	2,603	1,805	463	7,868	14,274	249,122	6%
Mar-04	165	1,507	3,001	1,060	419	7,630	13,781	249,122	6%
Apr-04	152	1,123	2,477	1,435	234	14,164	19,585	249,122	8%
May-04	157	1,118	2,652	1,285	1,278	13,312	19,804	249,122	8%

NOTES:

1. UMDS, AGED INT AND AGED SUSP MAY ALSO BE COUNTED IN UNSUPP UNDISTR.
2. NON-CAPITALIZED NUMBERS MAY CONTINUE TO RISE DUE TO NON-COUNTING OF ALL AGENCIES AND ALL YEARS OF UNSUPP UNDISTR.
3. AS OF JANUARY 2004, THE AGING CRITERIA FOR INTRANSITS CHANGED TO TRANSACTIONS OVER 30 DAYS.
4. AGED SUSPENSE ARE TRANSACTIONS GREATER THAN 60 DAYS.
5. CHECK ISSUE, DIT AND IPAC AGING USE THE REPORT DATE OF CHECK ISSUE DISCREPANCY REPORT AND SOD.



4th FBWT Gauge - FBWT Deficiency Rate

Customer

Goal

Green 3% or less

Yellow Greater than 3% and less than or equal to 5%

Red greater than 5%

REPORT MONTH	NULOS	UMDS	AGED INT	AGED SUSP 3000 ACCTS	SODS (CK ISS, DIT & IPAC)	UNSUPP UNDISTR	TOTAL DEFICIENCIES	FBWT TOTAL Sep-03	%TO FBWT TOTAL
May-04	(ABS)	(ABS)	(ABS)	(ABS)	(ABS)	(ABS)			
Air Force GF	9	111	350	4	-	8	482	59,766	1%
WCF	8	30	133	-	-	42	213	2,475	9%
Army GF	51	260	552	746	89	493	2,191	55,035	4%
WCF	2	55	44	-	-	1	102	1,549	7%
Navy GF	28	242	116	527	1,176	3,878	5,967	73,645	8%
WCF	0	147	10	-	-	726	884	1,724	51%
Marine Corps GF	24	55	-	0	0	153	233	4,770	5%
WCF	-	2	-	-	-	-	2	104	2%
Defense Org. GF	32	146	639	8	13	7,039	7,877	48,423	16%
WCF	3	70	808	-	-	972	1,853	1,631	114%
TOTAL	157	1,118	2,652	1,285	1,278	13,312	19,804	249,122	8%

Note: Details may not add to totals due to rounding

5th FBWT Gauge - Report 8

- Report 8 is a DFAS created undistributed reconciliation report.
 - Its purpose was to identify undistributed and the “make-up” or “buckets” of the differences between installation accounting records and disbursements and collections recorded at Treasury
- Report 8 is viewed as a critical FBWT audit tool. As such, it requires validations / modifications to enhance auditability and ensure proper reconciliation.
 - Report validations / edits being worked:
 - Completeness - perform a two-way appropriation comparison between Treasury reports and Report 8
 - Accuracy - match undistributed on the SF133, 1002, 1307 to those on Report 8

Where Are We Going?

- For Short term,
 - Ensuring the Military Service Auditors' report findings from the validation phase are addressed - final report expected Sept 30, 2004
 - For Navy expected completion date for validation is 3rd qtr FY 2005.
 - Closing all FBWT findings that materially affect the line item on balance sheet
 - Meeting the FBWT Metric and Stabilizing the Unsupported Undistributed
 - Validating the accuracy and completeness of Report 8 for the Department
 - Reducing the TI 97 Cash Management Report Unreconciled Material Balances at the four digit limit level
 - Having auditable source documents

Where Are We Going?

- For Long term, Mission of DoD Cash Accountability using Defense Cash Accountability System (DCAS)
- Report to Treasury
 - Consolidated Statement of Accountability (1219) Statement of Transactions (1220) for Navy, Air Force, Army, and Defense Agencies
- Report to DoD Accounting Network
 - Expenditure Transactions are distributed for posting to the appropriate accountable station
 - Reduce cycle time from months to days
- Report to DoD Financial Managers/Other Federal Agencies
 - Current cash outlays
 - Information required on geographic outlay distribution of DoD funds
 - International Balance of Payments (IBOP) Report
 - “By DoD for Other” cash transactions

Where Are We Going?

- **Reconcile with Treasury**
 - End-of-month cash position to the Treasury Trial Balance
 - Statements of Differences (SF6652) for both disbursing and deposit activities
 - Fund Balance with Treasury
- **Reconcile with DoD Accounting Network**
 - Process clearance feedback and adjustments received from network
 - Correct transactions previously distributed to an accounting system determined incorrect or invalid
- **Monitor and Control In-Transit Cash**
 - Treasury Suspense/Clearance accounts
 - Undistributed Cross Disbursements

Where Are We Going?

DCAS Benefits

- Provides visibility of legacy system data
- Provide accurate, consistent and supportable information
- Cross Disbursing Subsystem
 - reduces reporting cycle time for recording expenditure data in accounting systems from months to days
 - reduces manual cross disbursements/intransits
- Treasury Reporting Subsystem
 - eliminates Treasury rejects resulting from inaccurate appropriation data
 - provides access to all DoD cash transactions on virtual real time basis
 - eliminates use of multiple systems and manual processes currently used to perform reconciliation and corrections
 - provides ad-hoc capability via COGNOS Impromptu
 - provides web-based reports capability

When Should Things Be Where We Want Them To Be?

Projected DoD Component FBWT Assertion Dates (ready for DoD IG audit)

<u>Organization</u>	<u>Fund Type</u>	<u>Date</u>
Army	GF	Sep 30, 2004
Army	WCFFY	2005
Army	TI97	TBD
Air Force	GF	Aug 15, 2004
Air Force	WCF	Jun 30, 2005
Air Force	TI97	Aug 15, 2004
Navy	GF	Sep 30, 2005
Navy	WCF	Sep 30, 2005
Navy	TI97	Sep 30, 2005

**Defense Organizations On or Before
Sep 30, 2005**

When Should Things Be Where We Want Them To Be?

- Key Events

- Draft FBWT validation/assessment findings for AF & Army expected in Aug/Sep 2004.
- Army analyzing its FBWT processes - Go / No Go decision due Aug 31 2004.
- Navy Audit to begin informal assessment Jul/Aug. Audit work through May 2005.
- Lean 6 FBWT Prioritized FBWT Issues to be turned over to Black/Green Belts Jul/Aug 2004.

What Can Our Customers Help Us With?

- DoD Components should become very familiar with their Report 8. It represents funds not yet recorded in the field level records.
 - Contact your servicing DFAS Center
- Treasury Index 97 Activities should be analyzing the Cash Management Report for their General Fund cash balance position
 - For CMR information, contact Defense Agencies Indianapolis Operations, Debbie Poole (317) 510-3281 or Bob Carter (317) 510-2659.
- Ensure complete and accurate lines of accounting on commitment and obligating documents
- Continued support of the triannual reviews to identify disconnects between expected and posted disbursements

Final Thought

The DoD Financial Statements
are only as auditable as their
weakest link.



DFAS

Your Financial Partner @ Work

